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Taiwan Could Avoid Arms Cutoff; Japan's Optical-Fiber Firms Fret

ASIAN REPORT

TAIWAN appears to be escaping serious political fallout in the U.S. following last October's murder of Chinese-American journalist Henry Liu in California in which Taiwanese intelligence agents have been implicated.

So far, there isn't sufficient support in Congress for a move to end the annual \$800 million in American arms sales to Taiwan. Under U.S. law, Washington can cut off such aid if a country is found to be guilty of a pattern of harassment to the U.S. For the moment, it also appears that there won't be congressional action on more-modest proposals, such as closing some of the 10 unofficial Taiwanese consulates in the U.S.

The muted congressional response to the murder was apparent at last week's hearing on the incident by the Asia-Pacific affairs subcommittee of the House Foreign Affairs Committee. The fact that Mr. Liu, who was shot to death in a suburb of San Francisco, had written a biography critical of Taiwan President Chiang Ching-kuo has prompted speculation that the killing was politically motivated.

Though several subcommittee members spoke up against Taiwan, the panel ended up adopting a resolution that contained no criticism of Taiwan, although it did urge Taiwanese authorities to return the suspects in the murder to the U.S. to stand trial, something that Taipei has refused to do.

Although the murder has been receiving much attention overseas, Taiwan's press has been restrained in its coverage, apparently taking cues from the government. Stories about the Liu slaying have been buried on local crime pages in most Taiwan papers. Says the editor at one Taiwan newspaper, "we restrain ourselves. We're especially careful."

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